Robert C. Bundy, ABA #7206021 DORSEY & WHITNEY LLP 1031 West Fourth Avenue, Suite 600 Anchorage, AK 99501-5907 (907) 276-4557

Attorneys for NorthStar Energy Group, Inc.

IN THE UNITED STATES DISTRICT COURT FOR THE STATE OF ALASKA

UNITED STATES OF AMERICA,

Plaintiff,

Case No. A03-0149 CV (JKS) Case No. A04-0029 CV (JKS)

(Consolidated)

VS.

NORTHSTAR ENERGY GROUP, INC., a Nevada Corporation,

Defendant.

STATUS REPORT OF NORTHSTAR ENERGY GROUP, INC.

UNITED STATES OF AMERICA,

Plaintiff,

VS.

PHILLIP LaFLEUR; NORTHSTAR ENERGY GROUP, INC.; and STATE OF ALASKA, CHILD SUPPORT ENFORCEMENT DIVISION,

Defendants.

NORTHSTAR ENERGY GROUP, INC.

Third-Party Plaintiff,

VS.

PHILLIP LeFLEUR and STATE OF ALASKA, CHILD SUPPORT ENFORCEMENT AGENCY,

Third-Party Defendants.

DORSEY & WHITNEY LLP 1031 West 4th Avenue, Suite 600 Anchorage, AK 99501 (907) 276-4557 STATE OF ALASKA, DEPARTMENT OF REVENUE, CHILD SUPPORT ENFORCEMENT DIVISION,

Cross-claim Plaintiff,

VS.

NORTHSTAR ENERGY GROUP, INC.,

Cross-claim Defendant.

NorthStar Energy Group, Inc. advises that a settlement is still pending between it and third-party defendant Phillip LeFleur. All that remains is final approval of settlement documents and execution by the parties. Attorneys for the parties have had continuing difficulty contacting clients but continue to work toward a final settlement.

DATED this 8th day of May, 2006, at Anchorage, Alaska.

DORSEY & WHITNEY LLP Attorneys for NorthStar Energy Group, Inc.

BY: /s/ Robert C. Bundy

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CERTIFICATE OF SERVICE

This certifies that on the 8th day of May, 2006, a copy of the foregoing document was served on:

John B. Snyder III Trial Attorney, Tax Division U.S. Department of Justice P.O. Box 683 Ben Franklin Station Washington, D.C. 20044-0683

Leroy K. Latta Jr. Assistant Attorney General Attorney General's Office 1031 W. 4th Avenue, Suite 200 Anchorage, Alaska 99501

by electronic means through the ECF system as indicated on the Notice of Electronic Filing, or if not confirmed by ECF, by first class regular mail.

/s/ Robert C. Bundy

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